

**UNITED STATES DISTRICT COURT
FOR THE Northern District of Illinois – CM/ECF LIVE, Ver 6.2.2
Eastern Division**

United States Securities and Exchange Commission,
et al.

Plaintiff,

v.

Case No.:
1:18-cv-05587
Honorable John Z. Lee

Equitybuild, Inc., et al.

Defendant.

NOTIFICATION OF DOCKET ENTRY

This docket entry was made by the Clerk on Wednesday, May 1, 2019:

MINUTE entry before the Honorable Young B. Kim: The Receiver's motion for the entry of an order establishing claims bar date and approving claims process [241] is granted as explained herein. (The court will not address in this order those issues not properly before the court and arguments having nothing to do with the instant motion, namely the assertions raised by Certain Creditors in their response/cross-motion [285].) There are two issues in dispute—the length of the claims process and the institutional lenders' ability to engage in discovery during the claims submission process. The court agrees with the Receiver that discovery should not proceed during the claims submission process because discovery sought by the institutional lenders may not be necessary depending on the absence of competing liens and the Receiver's position on lien priority. However, the court agrees with UBS (replacing Wilmington Trust) and Liberty that the Receiver can implement a shorter but still fair, adequate, and reasonable claims process. As such, the court approves the proposed notice, (R. 241–1 at 11–17), and claim form, (R. 241–1 at 19–37), and orders the Receiver to: (1) retain the services of Axos Fiduciary Services to send notices by U.S. Mail (this practice avoids email notices ending up in Spam folders) to all known potential claimants and to host a claims portal by no later than May 22, 2019; (2) notify the claimants that they must submit their claims using the online portal or U.S. Mail by no later than July 1, 2019; (3) file a status report by August 1, 2019, confirming his compliance with this order and identifying those liens that are not in dispute or contested by either the Receiver or competing liens; and (4) file a status report by August 15, 2019, identifying those liens that are contested and the Receiver's preliminary explanation for the dispute. The Receiver is granted leave to address any claimant's request for an extension to submit a claim and also to send claims notices to those potential claimants discovered after May 22, 2019, granting them 40 calendar days to submit their claims. A status hearing is scheduled on August 22, 2019, at 10:00 a.m. in courtroom 1019 to discuss the status reports and to further address the institutional lenders' request for discovery. Mailed notice(Kim, Young)

ATTENTION: This notice is being sent pursuant to Rule 77(d) of the Federal Rules of Civil Procedure or Rule 49(c) of the Federal Rules of Criminal Procedure. It was generated by CM/ECF, the automated docketing system used to maintain the civil and criminal dockets of this District. If a minute order or other document is enclosed, please refer to it for additional information.

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